A.I.S. RESOURCES LIMITED

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

(Expressed in Canadian dollars)

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INDEPENDENT AUDITORS' REPORT

To the Shareholders and Directors of A.I.S. Resources Limited

Opinion

We have audited the consolidated financial statements of A.I.S. Resources Limited and its subsidiaries (the "Company") which comprise the consolidated statements of financial position as at December 31, 2022 and 2021, and the consolidated statements of loss and comprehensive income (loss), changes in shareholders' equity and cash flows for the years then ended, and the related notes comprising a summary of significant accounting policies and other explanatory information (together, the "Financial Statements").

In our opinion, the accompanying Financial Statements present fairly, in all material respects, the financial position of the Company as at December 31, 2022 and 2021, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audits of the Financial Statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the accompanying Financial Statements, which describes matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements for the year ended December 31, 2022. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material Uncertainty Related to Going Concern section, the key audit matters to be communicated in our auditors' report are as follows:

<u>Fair value of other investment</u>

As described in Notes 2(b), 9 and 18 of the Financial Statements, the Company holds an investment in a private company which is measured at fair value through other comprehensive income. The Company considers entity-specific information when determining whether the fair value of a privately-held investment should be adjusted upward or downward at the end of each reporting period. In addition to entity-specific information, the Company takes into account trends in general market conditions and the share performance of comparable publicly-traded companies when valuing privately-held investments.

We identified this fair value measurement of this investment as a key audit matter because auditor judgment is required to evaluate whether the inputs used are appropriate and the most reliable indicator of fair value.

Our audit procedures relating to this key audit matter included the following:

- We assessed the design and implementation of management's controls over the determination of the estimated fair value of the investment;
- We agreed the estimated fair value to the price in the investee company's most recent share issuance; and
- We examined evidence about the financial performance, operations and financial condition of the investee company, including direct communications from the investee company, to assess whether there were conditions that would suggest that the most recent price of shares issued by the investee company may not be representative of the fair value.

Other Information

Management is responsible for the other information, which comprises the information included in the Company's Management Discussion & Analysis to be filed with the relevant Canadian securities commissions.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the Financial Statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements of the current period and are, therefore, the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditors' report is Waseem Javed.

Manning Elliott LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, British Columbia

May 1, 2023

A.I.S. RESOURCES LIMITED

Consolidated Statements of Financial Position

As at December 31, 2022 and 2021
(Expressed in Canadian dollars)

	Note	2022	2021
		$	$
ASSETS			
Current assets			
Cash	*4*	241,866	167,501
Accounts receivable	*5*	404,378	13,275
Prepaid expenses	*6*	75,484	61,129
Marketable securities	*7*	264,700	524,545
Total current assets		986,428	766,450
Non-current assets			
Advances		-	155,547
Other investment	*9*	1,225,532	1,147,170
Exploration and evaluation assets	*10*	3,372,456	4,080,449
		5,584,416	6,149,616
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		255,286	375,659
Due to related parties	*11*	572,528	302,349
Promissory notes and loans payable	*13*	457,157	515,952
Total current liabilities		1,284,971	1,193,960
SHAREHOLDERS' EQUITY			
Common shares	*14*	19,945,595	19,163,165
Reserves	*15*	4,558,520	4,397,395
Other comprehensive income		725,774	647,414
Deficit		(20,930,444)	(19,252,318)
		4,299,445	4,955,656
		5,584,416	6,149,616

Note 1: Nature of operations and going concern
Note 21: Contingencies and commitments
Note 22: Subsequent events

Martyn Element, Director Kiki Smith, Director

The accompanying notes are an integral part of these consolidated financial statements.

A.I.S. RESOURCES LIMITED

Consolidated Statements of Loss and Comprehensive Income (Loss)
For the years ended December 31, 2022 and 2021
(Expressed in Canadian dollars)

	Note	**2022**	**2021**
		$	$
EXPENSES:			
Consulting	*11*	188,073	336,576
Directors' fees	*11*	30,000	30,000
General and administrative		216,917	248,183
Interest and financing	*12 & 13*	86,129	54,264
Management fees	*11*	133,875	126,000
Professional fees	*11*	215,820	231,572
Project evaluation cost		-	50,792
Stock-based compensation	*11 & 14*	-	401,573
Transfer agent and filing		52,785	61,614
Travel and promotion		37,705	237,299
		(961,304)	(1,777,873)
OTHER INCOME (EXPENSES):			
Gain on settlement of debt		-	127,691
Loss on marketable securities	*7*	(180,586)	(443,514)
Loss on settlement of receivables		-	(1,425)
Operator income		126,957	-
Recoveries in excess of carrying value	*10*	250,021	1,092,745
Unrealized foreign exchange gain		473,590	150,433
Write-down of exploration and evaluation assets	*10*	(1,386,804)	-
Net loss for the year		**(1,678,126)**	**(851,943)**
OTHER COMPREHENSIVE INCOME (LOSS):			
Unrealized gain (loss) on investment	*9*	78,360	(4,887)
Comprehensive loss for the year		**(1,599,766)**	**(856,830)**
Loss per share			
Basic and diluted		$ (0.01)	$ (0.01)
Weighted average number of shares outstanding		192,256,614	163,150,998

The accompanying notes are an integral part of these consolidated financial statements.

A.I.S. RESOURCES LIMITED

Consolidated Statements of Changes in Shareholders' Equity

For the years ended December 31, 2022 and 2021

(Expressed in Canadian Dollars)

	Common shares		Reserves					
	No. of shares	Share capital	Stock Options	Warrants	Contributed surplus	Other Comprehensive Income	Deficit	Total
		$	$	$	$	$	$	$
Balance, December 31, 2020	136,442,909	16,239,204	2,250,677	12,771	1,022,771	652,301	(18,400,375)	1,777,349
Shares issued for cash	31,172,500	2,343,800	-	-	-	-	-	2,343,800
Share issuance costs	-	(173,439)	-	56,312	-	-	-	(117,127)
Shares issued for property acquisition	10,060,000	723,600	-	-	-	-	-	723,600
Warrants issued for property acquisition	-	-	-	613,520	-	-	-	613,520
Warrants exercised	300,000	30,000	-	-	-	-	-	30,000
Warrants expired	-	-	-	(12,771)	12,771	-	-	-
Options cancelled/expired	-	-	(100,845)	-	100,845	-	-	-
Bonus warrants issued	-	-	-	39,771	-	-	-	39,771
Stock options expense	-	-	401,573	-	-	-	-	401,573
Loss for the year	-	-	-	-	-	(4,887)	(851,943)	(856,830)
Balance December 31, 2021	**177,975,409**	**19,163,165**	**2,551,405**	**709,603**	**1,136,387**	**647,414**	**(19,252,318)**	**4,955,656**
Shares issued for cash	16,240,000	487,200	-	81,200	-	-	-	568,400
Share issuance costs	-	(4,770)	-	-	-	-	-	(4,770)
Share for property acquisition	10,000,000	300,000	-	-	-	-	-	300,000
Warrants expired	-	-	-	(39,771)	39,771	-	-	-
Bonus warrants issued	-	-	-	79,925	-	-	-	79,925
Options cancelled/expired	-	-	(1,484,757)	-	1,484,757	-	-	-
Income (loss) for the year	-	-	-	-	-	78,360	(1,678,126)	(1,599,766)
Balance, December 31, 2022	**204,215,409**	**19,945,595**	**1,066,648**	**830,957**	**2,660,915**	**725,774**	**(20,930,444)**	**4,299,445**

The accompanying notes are an integral part of these consolidated financial statements.

A.I.S. RESOURCES LIMITED

Consolidated Statements of Cash Flows

For the years ended December 31, 2022 and 2021

(Expressed in Canadian dollars)

	2022	2021
	$	$
OPERATING ACTIVITIES		
Net loss for the year	(1,678,126)	(851,943)
Adjustments for items not involving cash:		
Accrued interest and accretion of financing costs	21,130	51,055
Write-down of exploration and evaluation assets	1,386,804	-
Depreciation	-	3,960
Gain on settlement of debt	-	(127,691)
Gain on settlement of receivables	-	1,425
Stock-based compensation	-	401,573
Recoveries in excess of carrying value	(250,021)	(1,092,745)
Realized loss (gain) on marketable securities	210,034	(42,805)
Unrealized gain on marketable securities	(29,448)	486,319
Unrealized foreign exchange loss	73,085	55,069
	(266,542)	(1,115,783)
Changes in non-cash working capital:		
Accounts receivable	(391,103)	(13,275)
Prepaid expenses	43,050	(9,975)
Accounts payable and accrued liabilities	(53,880)	134,709
Related parties	270,179	103,408
	(398,296)	(900,916)
INVESTING ACTIVITIES		
Exploration and evaluation assets, net of recoveries	(1,442,228)	(2,208,125)
Option payments received	1,272,000	506,370
Purchase of marketable securities	(134,000)	(293,619)
Proceeds from sale of marketable securities	213,259	436,830
	(90,969)	(1,558,544)
FINANCING ACTIVITIES		
Shares issued for cash – net of share issuance costs	563,630	2,226,673
Warrants exercised	-	30,000
Promissory notes and loan proceeds – net of repayments	-	(53,106)
Interest paid	-	(21,541)
Lease payments	-	(9,426)
	563,630	2,172,600
Net change in cash	74,365	(286,860)
Cash at beginning of the year	167,501	454,361
Cash at end of the year	**241,866**	**167,501**

Note 16: Supplemental information with respect to cash flows

The accompanying notes are an integral part of these consolidated financial statements.

1. NATURE OF OPERATIONS AND GOING CONCERN

A.I.S. Resources Limited (the "Company" or "A.I.S.") was incorporated under the laws of Bahamas Islands. On December 20, 2018, the Company continued as a British Columbia corporation and is now governed by the Business Corporations Act (British Columbia). The Company is listed on the TSX Venture Exchange and trades under the stock symbol "AIS". AIS is an investment issuer with a primary focus on exploration and evaluation of mineral properties.

The head office and principal address of the Company is Suite 1120 – 789 West Pender Street, Vancouver, British Columbia, Canada V6C 1H2. The Company's records office and registered office is located at Suite 700 - 1199 West Hastings Street, Vancouver, British Columbia, Canada, V6E 3T5.

The consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern which assumes that the Company will continue its operations and will be able to realize the carrying value of its assets and discharge its liabilities in the normal course of business. At December 31, 2022, the Company had a working capital deficit of $298,543 (2021: $427,510) and an accumulated deficit of $20,930,444 (2021: $19,252,318). The ability of the Company to continue as a going concern is dependent upon the continued financial support from related parties, the ability of the Company to raise equity financing to continue its exploration activities and upon future profitable operations or proceeds from disposition of investments. Given the operating losses accumulated since inception, the Company's ability to realize its assets and discharge its liabilities depends on continued support from its directors, the ability to raise further funds to provide working capital and ultimately on generating future profitable operations. These uncertainties cast a significant doubt on the ability of the Company to continue operations as a going concern. The consolidated financial statements do not reflect adjustments to the carrying values of assets, liabilities or reported results should the Company be unable to continue as a going concern.

2. BASIS OF PREPARATION

Statement of compliance

These consolidated financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the Financial Reporting Interpretations Committee ("IFRIC").

The consolidated financial statements were approved by the Board of Directors and authorized for issue on May 1, 2023.

Basis of consolidation and presentation

The consolidated financial statements have been prepared on a historical cost basis except for certain financial instruments which are valued at fair value through profit or loss. Historical cost is generally based on the fair value of the consideration given in exchange for assets. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

2. BASIS OF PREPARATION (continued)

Basis of consolidation and presentation (continued)

These consolidated financial statements incorporate the financial statements of the Company and its controlled subsidiaries. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries; AIS Resources S.A., an Argentina company and AIS Resources Aust. Pty Ltd, an Australian company. All significant intercompany transactions and balances have been eliminated.

The financial statements of a subsidiary are included in the consolidated financial statements from the date that control commences until the date that control ceases. When the Company ceases to control a subsidiary, assets, liabilities and non-controlling interests of the subsidiary are derecognized at their carrying amounts at the date when control is lost. Investment retained in the former subsidiary is recognized at its fair value and any gain or loss resulting from deconsolidation is recorded through profit or loss.

The consolidated financial statements are presented in Canadian dollars which is the functional currency of the Company and its subsidiaries.

Significant accounting judgments and estimates

The preparation of consolidated financial statements in conformity with IFRS requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates, judgements and assumptions are reviewed on a continuous basis and are based on management's historical experience, knowledge of current conditions and other factors believed to be reasonable under the circumstances. Material estimates, and assumptions are made with respect to current and deferred income taxes and the fair value and level of financial instruments.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

a) Judgements

Going concern
The Company's management has made an assessment of the Company's ability to continue as a going concern and is satisfied that the Company has the resources to continue in business for the foreseeable future. The factors considered by management are disclosed in Note 1.

Title to mineral property interests
Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

2. BASIS OF PREPARATION (continued)

a) Judgements (continued)

Exploration and evaluation expenditures
The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after an expenditure is capitalized, information becomes available suggesting that the recovery of the expenditure is unlikely, the amount capitalized is written off in the profit or loss in the period the new information becomes available.

b) Estimates

Share-based payment transactions
The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

Recognition of deferred income tax assets and liabilities
The carrying amount of deferred income tax assets and liabilities is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Changes in estimates of future taxable profit can materially affect the amount of deferred income tax assets and liabilities recognized from period to period.

Impairment
Management assesses exploration and evaluation assets for impairment when facts and circumstances suggest that the carrying amount of any such assets may exceed their recoverable amount. When facts and circumstances suggest that the carrying amount exceeds the recoverable amount, the Company shall measure, present and disclose any resulting impairment.

Valuation of investments
For publicly traded investments (marketable securities), the Company estimates the fair value of such investments to be the closing price on the date of the statement of financial position. For investments in private entities, the Company evaluates the financial health of, and near-term business outlook for, the investees, including factors such as industry and sector performance, changes in technology, and operational and financing cash flow.

The determinations of fair value of the Company's investments at other than initial cost are subject to certain limitations. Financial information for privately-held company investments may not be available and, even if available, that information may be limited and/or unreliable. Use of the valuation approach described below may involve uncertainties and determinations based on the Company's judgment and any value estimated from these techniques may not be realized or realizable.

Company-specific information is considered when determining whether the fair value of a privately-held investment should be adjusted upward or downward at the end of each reporting period. In addition to company-specific information, the Company will take into account trends in general market conditions when valuing privately-held investments.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently in the preparation of the consolidated financial statements for all periods presented.

Foreign currency translation

The consolidated financial statements are presented in Canadian dollars, which is the functional currency of the Company and its subsidiaries, AIS Resources S.A. and AIS Resources Aust. Pty Ltd. Monetary statements of financial position amounts denominated other than in Canadian dollars are translated using exchange rates at the reporting period dates. Gains and losses arising from this translation are included in profit and loss.

Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Financial instruments

The Company classifies its financial assets into one of the following categories as follows:

Financial assets

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, the classification will depend on the business model in which the investment is held and contractual terms of the cash flows.

Amortized cost
The Company classifies its financial assets at amortized cost only if both of the following conditions are met:

- the financial asset is held within a business model with the objective of collecting the contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The financial assets are measured at fair value plus directly attributable transaction costs at initial recognition and are subsequently measured at amortized costs using effective interest method less any provisions for impairment.

Fair value through other comprehensive income ("FVOCI")
The Company classifies its equity investments at FVOCI for which are not held for trading and the Company has made an irrevocable election at initial recognition to recognize changes in fair value through other comprehensive income rather than profit or loss as these are strategic investments. Upon disposal of these equity investments, any balance within the other comprehensive income reserve for these equity investments is reclassified to retained earnings/deficit and is not reclassified to profit or loss. In addition, the other comprehensive income reserve for an impaired equity investment is not reclassified to profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Fair value through profit or loss ("FVPL")
The Company classifies the following financial assets at FVPL:

- equity investments that are held for trading;
- equity investments for which the Company has not elected to recognize fair value gains and losses through other comprehensive income;
- debt investments that do not qualify for measurement at either amortized cost or at FVOCI; and
- derivative financial instruments.

The Company has classified its cash and marketable securities as fair value through profit or loss, accounts receivable as amortized cost, and other investment as fair value through other comprehensive income.

Financial liabilities

The Company classifies its financial liabilities as amortized cost or FVPL. Financial liabilities are subsequently measured at amortized cost, except for those at FVPL such as derivative financial instruments and contingent consideration payables. The FVPL option can be elected for financial liabilities if:

- it eliminates or significantly reduces an accounting mismatch;
- the financial liability is part of a portfolio that is managed and evaluated on a fair value basis, in accordance with a documented risk management or investment strategy; or
- there is an embedded derivative in the financial or non-financial host contract and the derivative is not closely related to the host contract.

This irrevocable election is made at initial recognition and these financial liabilities cannot be reclassified out of the category while they are held or issued. Financial liabilities measured at FVPL will recognize changes in fair value attributable to the Company's own credit risk in other comprehensive income instead of profit or loss, unless this would create an accounting mismatch. The Company has classified its accounts payable, due to related parties and promissory notes at amortized cost.

Compound financial instruments

Compound financial instruments issued by the Company comprise convertible debentures that can be converted to share capital at the option of the holder, and the number of shares to be issued does not vary with changes in their fair value.

The liability component of a compound financial instrument is recognized initially at the fair value of a similar liability that does not have an equity conversion option. The equity component is recognized initially as the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortized cost using the effective interest method. The equity component of a compound financial instrument is not re-measured subsequent to initial recognition except on conversion or expiry.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit losses associated with its financial assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For accounts receivable, the Company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognized from initial recognition of the financial assets.

The criteria used to determine risk of default and to estimate expected credit losses include:

- delinquencies in payments;
- significant financial difficulty of the debtor;
- it becomes probable that the debtor will enter bankruptcy; or
- significant changes in macroeconomic factors that indicate future defaults will vary and measurable changes in estimated future cash flows will result, provided that such information is observable and available without undue cost or effort.

Income taxes

Income tax expense represents the sum of the tax currently payable or deferred.

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

The tax currently payable is based on taxable income for the year. Taxable income differs from income as reported in the statement of comprehensive income due to items of income and expenses that are taxable or deductible in other years and items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been substantively enacted by the end of the reporting year.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable income. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits are available against which those temporary differences can be utilized.

The carrying amount of deferred tax assets are reviewed at the end of each reporting year and reduced to the extent that it is improbable that sufficient taxable income will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the year in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been substantively enacted by the end of the reporting year.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. A lease liability is recognized at the commencement of the lease term at the present value of the lease payments that are not paid at that date. At the commencement date, a corresponding right-of-use asset is recognized at the amount of the lease liability, adjusted for lease incentives received, retirement costs and initial direct costs. Depreciation is recognized on the right-of-use asset over the lease term. Interest expense is recognized on the lease liabilities using the effective interest rate method and payments are applied against the lease liability.

Key areas where management has made judgments, estimates, and assumptions related to the application of IFRS 16, Leases, include:

- The incremental borrowing rates are based on judgments including economic environment, term, currency, and the underlying risk inherent to the asset. The carrying balance of the right-of-use assets, lease liabilities, and the resulting interest expense and depreciation expense, may differ due to changes in the market conditions and lease term.
- Lease terms are based on assumptions regarding extension terms that allow for operational flexibility and future market conditions.

Per share amounts

Basic earnings (loss) per share is determined by dividing net income (loss) attributable to common shareholders by the weighted average number of common shares outstanding during the period. Diluted earnings (loss) per share is calculated by dividing net income (loss) by the weighted average number of common shares outstanding during the period after giving effect to potentially dilutive financial instruments.

Exploration and evaluation assets

These assets relate to mineral rights acquired and exploration and evaluation expenditures capitalized in respect of projects that are in the exploration or pre-development stage.

Exploration and evaluation activity begins when the Company obtains legal rights to explore a specific area and involves the search for mineral reserves, the determination of technical feasibility and the assessment of commercial viability of an identified mineral resource. Expenditures incurred in the exploration and evaluation phase include the cost of acquiring interests in mineral rights, licenses and properties, and the costs of the Company’s exploration activities, such as researching and analyzing existing exploration data, gathering data through geological studies, exploratory drilling, trenching, sampling, and certain feasibility studies.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

Recoverability of the carrying amount of any exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Decommissioning obligations

A liability for a decommissioning obligation, such as site reclamation costs, is recorded when a legal or constructive obligation exists and is recognized in the period in which it is incurred. The Company records the estimated present value of future cash flows associated with decommissioning as a liability when the liability is incurred and increases the carrying value of the related assets for that amount. Subsequently, these capitalized decommissioning costs will be amortized to expense over the life of the related assets using the units-of-production method. The liability is accreted to reflect the passage of time and adjusted to reflect changes in the timing and amount of estimated future cash flows.

As at December 31, 2022, the Company does not have material decommissioning obligations.

Impairment of non-financial assets

The carrying amount of the Company's non-financial assets (which include exploration and evaluation assets) is reviewed at each financial reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized when the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in profit and loss for the period.

The recoverable amount of assets is the greater of an asset's fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount, however, not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years. An impairment loss with respect to goodwill is never reversed. Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment.

Share capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares and common share warrants are recognized as a deduction from equity. For equity offerings of units consisting of a common share and warrants, when both instruments are classified as equity, the Company allocates the proceeds between the common share and warrants based on residual value. Common shares issued for non-monetary consideration are measured based on their market value at the date the common shares are issued.

Proceeds from the exercise of stock options and warrants are recorded as share capital in the amount for which the option or warrant enabled the holder to purchase a share in the Company. Share capital issued for non-monetary consideration is valued at the closing market price at the date of issuance. Consideration received for the exercise of options or warrants is recorded in share capital and the related residual value is transferred to share capital.

(Expressed in Canadian dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Share-based payments

Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined that the fair value of the goods or services cannot be reliably measured and are recorded at the date the goods or services are received. The corresponding amount is recorded to the share-based payment reserve. The fair value of options is determined using the Black-Scholes Option Pricing Model. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

Comprehensive income (loss)

Comprehensive income (loss) includes all changes in equity of the Company, except those resulting from investments by owners and distributions to owners. Comprehensive income (loss) is the total of net income (loss) and other comprehensive income (loss). Other comprehensive income (loss) comprises revenues, expenses, gains and losses that, in accordance with IFRS, require recognition, but are excluded from net income (loss).

Accounting standards issued but not yet effective

There are no accounting pronouncements with future effective dates that are applicable or are expected to have a material impact on the Company's consolidated financial statements.

4. CASH

The Company had cash deposits of $241,866 at December 31, 2022 (2021 - $167,501).

5. ACCOUNTS RECEIVABLE

Accounts receivable is comprised of input tax credits and amounts due for the recoveries of exploration expenditures from properties optioned out to other entities.

6. PREPAID EXPENSES

	December 31, 2022	December 31, 2021
	$	$
General operating and administrative	75,484	61,129
	75,484	61,129

7. MARKETABLE SECURITIES

Shares of publicly traded companies	Cost	Fair value
	$	$
December 31, 2021	1,030,775	524,545
December 31, 2022	741,482	264,700

(Expressed in Canadian dollars)

7. MARKETABLE SECURITIES (continued)

The changes in the fair value of marketable securities are as follows:

	Fair value of shares of publicly traded companies
	$
Balance, December 31, 2020	111,270
Purchases	293,619
Sales	(436,830)
Realized gain	42,805
Received pursuant to property option agreements (*Note 10)*	1,000,000
Unrealized loss	(486,319)
Balance, December 31, 2021	524,545
Purchases	134,000
Sales	(213,259)
Realized loss	(210,034)
Unrealized gain	29,448
Balance, December 31, 2022	264,700

8. RIGHT-OF-USE ASSETS

	Office lease
	$
Balance, December 31, 2020	3,960
Depreciation	(3,960)
Balance, December 31, 2021 and December 31, 2022	-

9. OTHER INVESTMENT

Other investment is comprised of shares of Buda Juice LLC, a private company. The investment is measured at fair value through other comprehensive income. During the year ended December 31, 2022, the Company recognized an unrealized gain on investment of $78,360 (2021 – $4,887), which has been recorded as other comprehensive income. The assessed fair value of the investment at December 31, 2022, is US $904,852 (December 31, 2021 – US $904,852).

(Expressed in Canadian dollars)

10. EXPLORATION AND EVALUATION ASSETS

Exploration and evaluation assets are comprised of:

	December 31, 2020	Expenditures	December 31, 2021	Expenditures	Impairment	December 31, 2022
		$	$	$	$	$
Yalgogrin (a)						
Acquisition	566,944	-	566,944	-	(566,944)	-
Deferred exploration costs	40,305	777,017	817,322	2,538	(819,860)	-
	607,249	777,017	1,384,266	2,538	(1,386,804)	-
Toolleen-Fosterville (b)						
Acquisition	201,865	868,279	1,070,144	-	-	1,070,144
Deferred exploration costs	30,969	318,819	349,788	2,647	-	352,435
	232,834	1,187,098	1,419,932	2,647	-	1,422,579
Kingston (c)						
Acquisition	153,442	762,481	915,923	-	-	915,923
Deferred exploration costs	1,527	16,824	18,351	3,509	-	21,860
	154,969	779,305	934,274	3,509	-	937,783
Bright (d)						
Acquisition	-	-	-	439,149	-	439,149
Deferred exploration costs	-	-	-	510,285	-	510,285
	-	-	-	949,434	-	949,434
Candela II (e)						
Acquisition	-	252,510	252,510	1,272,000	-	1,524,510
Deferred exploration costs	-	944,008	944,008	124,924	-	1,068,932
Recoveries	-	(857,833)	(857,833)	(1,735,609)	-	(2,593,442)
	-	338,685	338,685	(338,685)	-	-
Pocitos (f)						
Acquisition	-	159,265	159,265	129,455	-	288,720
Deferred exploration costs	-	3,292	3,292	1,769,017	-	1,772,309
Recoveries	-	(159,265)	(159,265)	(1,839,104)	-	(1,998,369)
	-	3,292	3,292	59,368	-	62,660
Total	995,052	3,085,397	4,080,449	678,811	(1,386,804)	3,372,456

(Expressed in Canadian dollars)

10. EXPLORATION AND EVALUATION ASSETS (continued)

Deferred exploration costs are as follows:

	Yalgogrin (a)	Toolleen-Fosterville (b)	Kingston (c)	Bright (d)	Candela II (e)	Pocitos (f)	Total
	$	$	$	$	$	$	$
Year ended December 31, 2021							
Assay and laboratory	20,595	28,653	-	-	20,848	-	70,096
Equipment	-	-	-	-	9,837	-	9,837
Exploration expense	-	-	-	-	17,292	-	17,292
Drilling	426,711	124,071	-	-	462,985	-	1,013,767
Geology and geophysics	276,590	149,220	11,522	-	90,228	-	527,560
License fee, permits, claim fees, and taxes	8,476	1,945	1,994	-	-	597	13,012
Local office and administration	18,722	6,124	2,034	-	185,883	2,414	215,177
Travel	25,923	8,806	1,274	-	156,935	281	193,219
Total, deferred exploration costs	777,017	318,819	16,824	-	944,008	3,292	2,059,960
Year ended December 31, 2022							
Assay and laboratory	-	4,105	-	25,042	8,242	4,956	42,345
Equipment	-	-	-	-	1,661	302,166	303,827
Exploration expense	-	-	-	-	653	1,652	2,305
Drilling	-	-	-	190,644	6,919	934,940	1,132,503
Geology and geophysics	-	(3,128)	(846)	226,521	72,835	91,277	386,659
License fee, permits, claim fees, and taxes	591	-	1,811	5,632	869	906	9,809
Local office and administration	185	(92)	777	43,227	23,254	38,645	105,996
Travel	1,762	1,762	1,767	19,219	10,491	394,475	429,476
Total, deferred exploration costs	2,538	2,647	3,509	510,285	124,924	1,769,017	2,412,920

a) Yalgogrin

On October 7, 2020, the Company entered into an Option Agreement (the “Agreement”) to acquire a 100% interest in the Yalgogrin Gold Project (the “Project” or “Property”) located in West Wyalong, NSW, Australia. The Project is comprised of two exploration licenses. The Agreement replaces and supersedes the Binding Letter of Intent (“LOI”) dated July 16, 2020 for acquisition of the Project. The Company paid AU$30,000 for an exclusivity period of 90 days between the LOI and the Agreement dates. The Project is subject to 2% net smelter return royalty on the first 50,000 oz gold production.

Initial Option
Under the terms of the Agreement, the Company acquired 60% interest in the Project by paying the consideration consisting of (i) a cash payment of AU$275,000 (paid) upon signing of the Agreement; and (ii) the issuance of 4,000,000 of the Company’s common shares (issued).

10. EXPLORATION AND EVALUATION ASSETS (continued)

a) Yalgogrin (continued)

Additional Option
Under the terms of the Agreement, to acquire the remaining 40% interest, the Company committed to (i) incur exploration expenditures of AU$750,000 within 12 months of the Agreement date; and (ii) issue within 18 months from the Agreement date common shares of the Company for AU$600,000 at the 20-day volume-weighted average price immediately preceding the issue date. The Company decided not to exercise the additional option, consequently per the terms of the Agreement its holding in Yalgogrin reverted to a 40% interest. During the year ended December 31, 2022, the Company recorded a write-down of $1,386,804 as management decided to abandon any further exploration of the property.

b) Toolleen-Fosterville

On November 11, 2020, the Company entered into a Sale and Purchase Agreement (the “Agreement”) to acquire a 100% interest in the Toolleen-Fosterville Gold Project (the “Project” or “Property”) located 3 km from the township of Toolleen, Victoria Australia and 12 km from the Kirkland Lake Fosterville gold mine. The Project is comprised of one exploration licence. The Agreement replaces and supersedes a binding letter of intent dated August 21, 2020 for acquisition of the Project. The Project is subject to a 1% net smelter return royalty on all gold production.

During the year ended December 31, 2021, the title to the underlying exploration licence was transferred to the Company following a payment of AU$375,000 and issuance of 6,060,000 common shares and 6,060,000 share purchase warrants of the Company. Each warrant will entitle the holder to acquire one common share of the Company at a price of $0.15 for a period of five years.

c) Kingston

On November 13, 2020, the Company entered into a Sale and Purchase Agreement (the “Agreement”) to acquire a 100% interest in the Kingston Gold Project (the “Project” or “Property”) located near Navarre, Victoria, Australia. The Project is comprised of one exploration licence. The Agreement replaces and supersedes an option agreement dated September 17, 2020 for acquisition of the Project. The Company paid AU$35,000 for an exclusivity period of 60 days between the option agreement and the Sale and Purchase Agreement dates. The Project is subject to a 1% net smelter return royalty on the first 50,000 oz gold production after the exploration licence is converted into a mining licence.

Under the terms of the Agreement, the Company acquired 100% interest in the Project by paying the consideration consisting of (i) cash payments of AU$125,000 (paid) upon signing of the Agreement; (ii) cash payment of AU$125,000 (paid) upon receiving TSX Venture Exchange approval; and (iii) issue upon exchange approval 4,000,000 shares of the Company (issued) and 4,000,000 share purchase warrants (issued) exercisable at $0.15 for five years.

(Expressed in Canadian dollars)

10. EXPLORATION AND EVALUATION ASSETS (continued)

d) Bright

During January 2022 the Company entered into an agreement (the "Agreement") to acquire a 60% interest in the Bright Gold Property (the "Project" or "Property"), exploration license EL006194 from Clarus Resources Pty Ltd. (the "Vendor"). Under the terms of the Agreement the Company acquired a 60% interest by paying AUD$150,000 and issuing 10 million common shares to the Vendor. The Company has an option to acquire the remaining 40% of the Property on the following terms:

i) 20% on the date on which an indicated mineral resource containing not less than 50,000 ounces of gold is identified. The payment will be comprised of 50% cash and 50% common shares of the Company and will be calculated based on the gold resource estimate (troy oz of gold) multiplied by the gold price per troy oz (A) in accordance with the following schedule:

Resource Estimate	Underground Mine	Open Cut
Inferred	A x0.5% x troy oz of gold	A x0.85% x troy oz of gold
Indicated	A xl% x troy oz of gold	A x1.66% x troy oz of gold
Measured	A x2% x troy oz of gold	A x4.0% x troy oz of gold

ii) 20% on the date on which a feasibility study is provided containing an indicated and/or measured mineral resource. The payment will be comprised of 50% cash and 50% common shares of the Company and will be calculated based on the gold resource estimate (troy oz of gold) multiplied by the gold price per troy oz (A) in accordance with the following schedule:

Resource Estimate	Underground Mine	Open Cut
Indicated	A x1% x troy oz of gold	A x2.0% x troy oz of gold
Measured	A x2% x troy oz of gold	A x5.0% x troy oz of gold

Under the terms of an amending agreement the shares for shall be issued at a deemed price of $0.06 per share. The number of common shares to be issued shall not at any time exceed 9.9% of the post-issuance issued and outstanding share capital of the Company on a diluted basis.

During the year ended December 31, 2021, the Company paid an advance of $139,149 (AUD$150,000) towards the acquisition cost of the Bright Gold Project.

During the year ended December 31, 2022, the Company issued 10 million common shares to the Vendor (Note 14) in accordance with the Agreement.

e) Candela II

On March 18, 2021, the Company entered into an Option Agreement to acquire a 100% interest in the Candela II Project (the "Project" or "Property") located in Incahuasi Salar in Salta province, Argentina, for a purchase price of USD $1.2 million. The Project is comprised of a mining license. Under the terms of the Option Agreement, the Company paid USD $100,000 upon signing of the Option Agreement and paid USD $100,000 six months from the Option Agreement date. The Option Agreement is valid for a 12-month option period entitling the Company to conduct exploration, sampling, chemistry and drilling to determine the commercial viability of the Project.

10. EXPLORATION AND EVALUATION ASSETS (continued)

e) Candela II (continued)

During March 2021, the Company entered into an Option Agreement with Tech One Lithium Resources Corp. ("Tech One"), a subsidiary of Spey Resources Corp., granting Tech One the right to acquire an 80% interest in the Project for a purchase price of USD $1 million. Under the terms of the Option Agreement, Tech One paid USD $100,000 to the Company upon signing the Option Agreement and paid USD $100,000 in six months from the Option Agreement date. In addition, Tech One must incur expenditures of $500,000 USD on the property during the option period (12 months). Tech One has the right to acquire the remaining 20% interest in the Project for a consideration of USD $6 million.

During March 2022, the Company paid US$1,000,000 to acquire 100% interest in the Candela II project. Concurrently, the Company received US$1,000,000 from Tech One to exercise its option to acquire 80% of the Candela II project. The Company retains a 20% interest in Candela II.

f) Pocitos

On June 10, 2021, the Company entered into an Option Agreement to acquire a 100% interest in five mining tenements comprising the Pocitos Project (the "Project" or "Properties") located in Salta province, Argentina. The purchase price of each tenement is USD $1,000 per hectare. Under the terms of the Option Agreement, the Company paid USD $125,000 upon signing and USD $100,000 in the year ended December 31, 2022 entitling it to conduct exploration, sampling, chemistry and drilling to determine the commercial viability of the Project. The initial option period was 18 months from the date of signing and in April 2022 it was extended to June 30, 2023 at no additional cost. The Company is currently renegotiating the Option Agreement with respect to the purchase price per hectare of the Pocitos 7 and Pocitos 9 tenements which have an area of 800 hectares and 600 hectares respectively.

On June 22, 2021, the Company entered into an Option Agreement with Spey Resources Corp. ("Spey") granting Spey the right to acquire a 100% interest in two mining tenements, Pocitos 1 and Pocitos 2, of the Pocitos Project. The purchase price of Pocitos 1 is USD $1,000,000 and of Pocitos 2 is USD $732,000. Spey has the option to pay the purchase price 100% in cash or 80% in cash and 20% in shares of Spey. Under the terms of the Option Agreement, Spey paid USD $200,000 to the Company upon signing the Option Agreement and issued 2,500,000 shares of Spey for a 18-month option period. In addition, Spey must incur expenditures of USD $500,000 on the property within 12 months from the Option Agreement date. Upon Spey's acquisition of a 100% interest in the mining tenements, the Company will retain a 7.5% royalty on the sales revenue of lithium carbonate or other lithium compounds from the mining tenements, net of export taxes. The option period was extended to June 30, 2023 at no additional cost.

On September 1, 2022, the Company entered into an exploration and purchase option agreement with C29 Metals Limited ("C29") granting C29 the right to acquire 100% interest in the Pocitos 7 and 9 licences of the Pocitos project. Under the terms of the Option Agreement, C29 paid USD $25,000 per licence upon signing of the agreement and will pay USD $115,000 per licence following 30 days of the signing and USD $75,000 per licence after the technical evaluation report is completed. C29 may acquire 100% interest in the Pocitos 7 and 9 licences as follows:

- USD $2.38 million (1400Has x US$1,700 per Ha) for an 80% interest in both licences payable June 30, 2023;
- C29 has the right to buy out AIS's 20% interest at a price determined by the FOB lithium carbonate price multiplied by 2% of the indicated and measured resource and 0.5% of the inferred resource of the contained lithium carbonate equivalent ("LCE").

During the year ended December 31, 2022, the Company recorded recoveries in excess of carrying value of $250,021 (2021: $1,092,745) on the Pocitos Project.

(Expressed in Canadian dollars)

10. EXPLORATION AND EVALUATION ASSETS (continued)

g) Casterton

On January 29, 2021, the Company entered into an Option Agreement to acquire the Casterton Project located in Western Victoria, Australia. The Casterton Project is comprised of one exploration license. Under the terms of the Option Agreement, the Company incurred project evaluation costs of AU$50,000 for an exclusivity period of 90 days. The Company has decided not to proceed with the Option Agreement after due diligence.

11. RELATED PARTY TRANSACTIONS AND BALANCES

For the year ended December 31, 2022, the Company recorded the following transactions with related parties:

a) $129,863 in consulting fees to a company controlled by a former director and Chief Executive Officer ("CEO") of the Company (2021 - $180,000).

b) $37,817 in project management fees to a company controlled by a director and former of the Company (2021 - $157,724).

c) $133,875 in management fees to the Chairman of the Board of Directors (2021 - $126,000).

d) $133,875 in professional fees to a company controlled by the Chief Financial Officer ("CFO") of the Company (2021 - $126,000).

e) $30,000 in director's fees to a company controlled by a former director of the Company (2021 - $30,000).

Key management includes the Company's directors, officers and any employees with authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Compensation awarded to key management includes the following:

	Year ended December 31, 2022	2021
	$	$
Short-term benefits	465,430	619,724
Stock-based compensation	-	234,656
Total	465,430	854,380

Amounts owing to related parties are as follows:

	December 31, 2022	December 31, 2021
	$	$
Chairman of the Board for management fees	101,109	14,373
Director for director's fees	37,500	22,500
Director and former CEO for consulting fees	264,863	135,000
Director and former CEO for other expenses	3,593	-
Director and former CEO for project management fees	94,071	119,976
CFO for professional fees	71,392	10,500
	572,528	302,349

(Expressed in Canadian dollars)

11. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

Included in prepaid expenses are $21,974 for expenses paid to the Chairman of the Board (2021 - $9,645).

Included in accounts receivable is $3,476 due from a company associated with a former director (2021 - $nil).

At December 31, 2022, promissory notes and loans payable with an aggregate principal amount of $239,149 were payable to a director of the Company (2021 - $289,149). *(Note 13)*

12. LEASE LIABILITIES

	Office lease
	$
Balance, December 31, 2020	8,975
Finance cost	451
Payments	(9,426)
Balance, December 31, 2021 and December 31, 2022	-

13. PROMISSORY NOTES AND LOANS PAYABLE

a) During the year ended December 31, 2019, the Company issued a promissory note in the principal amount of USD $390,500 to a third party. The principal comprised aggregate principal of USD $375,000 and aggregate accrued interest of USD $15,500 of two promissory notes issued to a third party in the year ended December 31, 2018. The note is secured against the Company's investment in Buda Juice LLC, payable one year from the date of issuance, and bears interest at a rate of 14% per annum. The Company paid a legal fee of USD $2,500 and 3% loan commitment fee of USD $11,715. During the year ended December 31, 2020, the Company repaid loan principal of USD $215,500, paid accrued interest of USD $60,640, and advance interest of USD $4,648.

   During the year ended December 31, 2021, the Company repaid the remaining loan principal of USD $175,000 and recorded $4,862 as interest expense on the short-term debt. The carrying value of this promissory note at December 31, 2021 and 2022 is $nil.

b) During the year ended December 31, 2019, the Company issued a promissory note in the amount of USD $20,000 to a director of the Company. The note is unsecured, payable one year from the date of issuance, and bears interest at a rate of 12% per annum. During the year ended December 31, 2019, the Company received further advances of USD $30,000 under the promissory note. During the year ended December 31, 2020, the Company received further advances of USD $6,520.

   During the year ended December 31, 2021, the Company recorded $2,383 as interest expense and repaid the loan in full. The carrying value of this promissory note at December 31, 2021 and 2022 is $nil.

c) During the year ended December 31, 2019, the Company issued a promissory note in the amount of $5,000 to a director of the Company. The note is unsecured, payable one year from the date of issuance, and bears interest at a rate of 12% per annum. During the year ended December 31, 2019, the Company received further advances of $5,000 under the promissory note.

   During the year ended December 31, 2021, the Company recorded $335 as interest expense and repaid the loan in full. The carrying value of this promissory note at December 31, 2021 and 2022 is $nil.

13. PROMISSORY NOTES AND LOANS PAYABLE (continued)

d) During the year ended December 31, 2020, the Company issued a promissory note in the amount of $150,000 to a director of the Company. The note is unsecured, payable one year from the date of issuance, and bears interest at a rate of 8% per annum. The Company issued 379,747 bonus shares with a fair value of $30,000 in connection with the promissory note, which was recorded against the face value of the promissory note on the date of issuance. During the year ended December 31, 2022, the Company recorded $12,000 (2021 - $12,000) as interest expense and recorded accretion expense of $nil (2021- $22,438) in connection with this promissory note. The carrying value of this promissory note at December 31, 2022 is $170,647 (2021 - $157,988).

e) During the year ended December 31, 2021, the Company issued a promissory note in the principal amount of $100,000 to a third party. The note is unsecured, payable one year from the date of issuance, and bears interest at a rate of 6% per annum payable at maturity. In connection with the promissory note, the Company issued 2,000,000 bonus warrants with an exercise price of $0.05 and term of one year. The fair value of the bonus warrants of $15,909 was recorded against the face value of the promissory note on the date of issuance. The fair value of the bonus warrants was estimated using the Black-Scholes option-pricing model assuming an expected life of 1 year, a risk-free interest rate of 0.82% and an expected volatility of 69.65%.

   During the year ended December 31, 2022, the Company entered into an amending agreement with the third party to extend the maturity of the loan by six months. In connection with the extension, the Company issued 3,333,333 bonus warrants with an exercise price of $0.05 and term of one year. The fair value of the bonus warrants of $31,970 was recorded against the face value of the promissory note on the date of issuance. The fair value of the bonus warrants was estimated using the Black-Scholes option-pricing model assuming an expected life of 1 year, a risk-free interest rate of 4.44% and an expected volatility of 118.33%. During the year ended December 31, 2022, the Company recorded $6,305 (2021- $970) as interest expense and recorded accretion expense of $17,585 (2021- $2,615) in connection with this promissory note. The carrying value of this promissory note at December 31, 2022 is $73,597 (2021 - $87,677).

f) During the year ended December 31, 2021, the Company issued a promissory note in the principal amount of $150,000 to a third party. The note is unsecured, payable one year from the date of issuance, and bears interest at a rate of 6% per annum payable at maturity. In connection with the promissory note, the Company issued 3,000,000 bonus warrants with an exercise price of $0.05 and term of one year. The fair value of the bonus warrants of $23,862 was recorded against the face value of the promissory note on the date of issuance. The fair value of the bonus warrants was estimated using the Black-Scholes option-pricing model assuming an expected life of 1 year, a risk-free interest rate of 0.82% and an expected volatility of 69.65%.

   During the year ended December 31, 2022, the Company entered into an amending agreement with the third party to extend the maturity of the loan by six months. In connection with the extension, the Company issued 5,000,000 bonus warrants with an exercise price of $0.05 and term of one year. The fair value of the bonus warrants of $47,955 was recorded against the face value of the promissory note on the date of issuance. The fair value of the bonus warrants was estimated using the Black-Scholes option-pricing model assuming an expected life of 1 year, a risk-free interest rate of 4.44% and an expected volatility of 118.33%. During the year ended December 31, 2022, the Company recorded $9,655 (2021- $1,258) as interest expense and recorded accretion expense of $26,901 (2021- $3,400) in connection with this promissory note. The carrying value of this promissory note at December 31, 2022 is $110,396 (2021 - $130,795).

g) During the year ended December 31, 2021, the Company issued a promissory note in the principal amount of $139,149 to a director of the Company. The note is unsecured, payable within 5 business days from demand, and bears interest at a rate of 10% per annum. During the year ended December 31, 2022, the Company recorded $13,024 (2021- $nil) as interest expense in connection with this promissory note. The carrying value of this promissory note at December 31, 2022 is $102,517 (2021 - $139,492).

14. SHARE CAPITAL

Authorized

The authorized share capital of the Company is an unlimited number of shares with no par value. All issued shares, consisting only of common shares, are fully paid.

Issued

204,215,409 common shares with a value of $19,945,595 were outstanding at December 31, 2022 (December 31, 2021 - 177,975,409 common shares with a value of $19,163,165).

During the year ended December 31, 2022, the Company issued the following:

On August 15, 2022, the Company issued 10 million shares with a value of $300,000 pursuant to the Bright Gold Property option agreement (Note 10d).

On May 9, 2022, the Company completed a private placement comprising 16,240,000 units at $0.035 per unit for gross proceeds of $568,400. Each unit is comprised of one common share of the Company and one common share purchase warrant, with each warrant entitling the holder thereof to acquire one common share at a price of $0.05 for a period of one year from the date of closing of the placement. The directors of the Company participated in the private placement. Gross proceeds from this private placement of $487,200 were allocated to share capital and $81,200 to warrants based on residual method. The Company paid cash finder's fees totaling $766.

During the year ended December 31, 2021, the Company issued the following:

300,000 common shares upon exercise of warrants for gross proceeds of $30,000.

On December 23, 2021, the Company completed a private placement comprising 5,000,000 shares at $0.05 per share for gross proceeds of $250,000. A director of the Company participated in the private placement.

On July 9, 2021, the Company completed a private placement comprising 10,547,500 units at $0.08 per unit for gross proceeds of $843,800. Each unit is comprised of one common share of the Company and one common share purchase warrant, with each warrant entitling the holder thereof to acquire one common share at a price of $0.12 for a period of two years from the date of closing of the placement. A director of the Company participated in the private placement. The Company paid cash finder's fees totaling $41,920 and issued 524,000 broker warrants. The fair value of the broker warrants of $21,308 was estimated using the Black-Scholes option-pricing model assuming an expected life of 2 years, a risk-free interest rate of 0.47% and an expected volatility of 126.90%.

On June 30, 2021, the Company issued 6,060,000 common shares with a value of $363,600 and 6,060,000 warrants for acquisition of a 100% interest in the Toolleen-Fosterville Gold Project. Each warrant entitles the holder to acquire one common share of the Company at a price of $0.15 for a period of five years. The fair value of warrants of $335,226 was estimated using the Black-Scholes option-pricing model assuming an expected life of 5 years, a risk-free interest rate of 0.97% and an expected volatility of 116.21%. *(Note 10b)*

On January 29, 2021, the Company completed a private placement comprising 15,625,000 units at $0.08 per unit for gross proceeds of $1,250,000. Each unit is comprised of one common share of the Company and one common share purchase warrant, with each warrant entitling the holder thereof to acquire one common share at a price of $0.12 for a period of two years from the date of closing of the placement. The Company's directors and officers participated in the private placement. The Company paid cash finder's fees totaling $62,640 and issued 783,000 broker warrants. The broker warrants have the same terms as the private placement warrants. The fair value of the broker warrants of $35,004 was estimated using the Black-Scholes option-pricing model assuming an expected life of 2 years, a risk-free interest rate of 0.14% and an expected volatility of 128.07%.

(Expressed in Canadian dollars)

14. SHARE CAPITAL (continued)

Issued (continued)

On January 14, 2021, the Company issued 4,000,000 common shares with a value of $360,000 and 4,000,000 warrants for acquisition of a 100% interest in the Kingston Gold Project. Each warrant entitles the holder to acquire one common share of the Company at a price of $0.15 for a period of five years. The fair value of warrants of $278,294 was estimated using the Black-Scholes option-pricing model assuming an expected life of 5 year, a risk-free interest rate of 0.46% and an expected volatility of 119.98%. *(Note 10c)*

Warrants

The changes in warrants are as follows:

	Year ended December 31, 2022			Year ended December 31, 2021		
	Number of warrants	Weighted average exercise price	Weighted average life in years	Number of warrants	Weighted average exercise price	Weighted average life in years
		$			$	
Balance, beginning of period	101,965,055	0.10	1.17	66,921,555	0.10	0.80
Issued	24,573,333	0.05	0.86	42,539,500	0.12	1.95
Exercised	-	-	-	(300,000)	0.10	-
Expired	(23,970,000)	0.10	-	(7,196,000)	0.10	-
Balance, end of period	102,568,388	0.10	0.79	101,965,055	0.10	1.17

The following warrants are outstanding as at:

	December 31, 2022		December 31, 2021	
Expiry Date	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
		$		$
December 1, 2022	-	-	18,970,000	0.10
December 23, 2022	-	-	5,000,000	0.05
January 29, 2023	783,000	0.12	783,000	0.12
February 26, 2023 (1)	12,622,222	0.12	12,622,222	0.12
May 9, 2023	16,240,000	0.05	-	-
July 9, 2023	11,071,500	0.12	11,071,500	0.12
August 18, 2023 (2)	27,833,333	0.08	27,833,333	0.08
November 12, 2023	8,333,333	0.05	-	
January 29, 2024 (3)	15,625,000	0.12	15,625,000	0.12
January 14, 2026	4,000,000	0.15	4,000,000	0.15
June 30, 2026	6,060,000	0.15	6,060,000	0.15
	102,568,388	0.10	101,965,055	0.10

(1) expiry date extended from February 26, 2022 to February 26, 2023.

(2) expiry date extended from August 18, 2022 to August 18, 2023.

(3) expiry date extended from January 29, 2023 to January 29, 2024

(Expressed in Canadian dollars)

14. SHARE CAPITAL (continued)

Stock options

On November 12, 2021, the Company granted 1,100,000 stock options to directors, officers and consultants of the Company. The options have an exercise price of $0.05 and a life of 5 years. The options vested immediately upon grant. The fair value of $55,914 was estimated using the Black-Scholes option-pricing model assuming an expected life of 5 years, a risk-free interest rate of 1.44% and an expected volatility of 121.56%.

On July 9, 2021, the Company granted 2,500,000 stock options to directors, officers and consultants of the Company. The options have an exercise price of $0.08 and a life of 5 years. The options vested immediately upon grant. The fair value of $157,082 was estimated using the Black-Scholes option-pricing model assuming an expected life of 5 years, a risk-free interest rate of 0.47% and an expected volatility of 125.96%.

On January 7, 2021, the Company granted 2,250,000 stock options to directors, officers and consultants of the Company. The options have an exercise price of $0.08 and a life of 5 years. The options vested immediately upon grant. The fair value of $148,005 was estimated using the Black-Scholes option-pricing model assuming an expected life of 5 years, a risk-free interest rate of 0.43% and an expected volatility of 119.98%.

On January 11, 2021, the Company granted 616,667 stock options to consultants of the Company. The options have an exercise price of $0.08 and a life of 5 years. The options vested immediately upon grant. The fair value of $40,571 was estimated using the Black-Scholes option-pricing model assuming an expected life of 5 years, a risk-free interest rate of 0.46% and an expected volatility of 119.98%.

The changes in options are as follows:

	Year ended December 31, 2022			Year ended December 31, 2021		
	Number of Shares	Weighted average exercise price	Weighted average life in years	Number of Shares	Weighted average exercise price	Weighted average life in years
		$			$	
Balance, beginning of period	16,656,667	0.14	3.22	10,720,000	0.18	3.37
Granted	-	-	-	6,466,667	0.07	4.36
Expired/cancelled	(2,145,000)	0.46	-	(530,000)	0.22	-
Balance, end of period	14,511,667	0.09	2.58	16,656,667	0.14	3.22

(Expressed in Canadian dollars)

14. SHARE CAPITAL (continued)

Stock options (continued)

The following options are outstanding as at:

	December 31, 2022		December 31, 2021	
Expiry Date	Outstanding	Weighted average exercise price	Outstanding	Weighted average exercise price
		$		$
February 14, 2022	-	-	110,000	0.20
February 14, 2022	-	-	150,000	0.68
August 25, 2022	-	-	175,000	0.20
November 24, 2022	-	-	1,040,000	0.20
November 24, 2022	-	-	670,000	0.91
August 17, 2023	950,000	0.20	950,000	0.20
July 23, 2024	3,130,000	0.10	3,130,000	0.10
September 23, 2024	500,000	0.12	500,000	0.12
August 25, 2025	2,115,000	0.07	2,115,000	0.07
October 2, 2025	1,150,000	0.075	1,150,000	0.075
November 2, 2025	200,000	0.065	200,000	0.065
January 7, 2026	2,250,000	0.08	2,250,000	0.08
January 11, 2026	616,667	0.08	616,667	0.08
July 9, 2026	2,500,000	0.08	2,500,000	0.08
November 12, 2026	1,100,000	0.05	1,100,000	0.05
Vested and exercisable	14,511,667	0.09	16,656,667	0.14

15. RESERVES

	Year ended December 31, 2022	Year ended December 31, 2021
	$	$
Balance, beginning of period	4,397,395	3,286,219
Warrants issued (Note 14)	81,200	709,603
Bonus warrants issued (Note 13)	79,925	-
Stock-based compensation (Note 14)	-	401,573
Balance, end of period	4,558,520	4,397,395

(Expressed in Canadian dollars)

16. SUPPLEMENTAL INFORMATION WITH RESPECT TO CASH FLOWS

	December 31, 2022	December 31, 2021
	$	$
Exploration expenditures in accounts payable	163,130	302,710
Marketable securities received for property option payments	-	1,000,000
Shares issued for property acquisition	300,000	723,600
Warrants issued for property acquisition	-	613,520
Promissory notes proceeds paid to vendors for advance property option payment	-	139,149

17. SEGMENTED INFORMATION

The Company operated in the following segments:

	Other Investment	Exploration and Evaluation Assets	Total
	$	$	$
Total Assets as at:			
December 31, 2022	1,225,532	3,372,456	4,597,988
December 31, 2021	1,147,170	4,080,449	5,227,619

18. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

Fair Value

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The Company, through its financial assets and liabilities, has exposure to the following risks from its use of financial instruments.

The fair value of the marketable securities is disclosed in Note 7 of the consolidated financial statements and is based on inputs that are based on other observable data – Level 1.

The fair value of the other investment is disclosed in Note 9 of the consolidated financial statements and is based on inputs not based on observable data – Level 3.

During the year ended December 31, 2022, the other investment described in Note 9 was reclassified from Level 2 to Level 3.

18. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (continued)

Fair Value (continued)

The Company's other investment represents its minority ownership in a private company without an active market (see Note 9). Management considered whether key fair value indicators were present by considering whether the private company had completed any recent financings with arm's length parties or whether there were any available market comparatives from which the Company could benchmark a value for its investment. As none were available, management assessed the carrying value of its investment against factors indicative of whether the most recently completed financing would not be an appropriate value, and did not identify any such factors given the performance of the private company and industry trends. As a result, management concluded that the value at which the most recently completed financing was conducted was the most appropriate, given the circumstances surrounding the investment.

Based on the carrying value of the other investment as at December 31, 2022, a 10% change in fair value would impact other comprehensive income for the year in the amount of $122,553.

The Company's other financial instruments as at December 31, 2022 include cash, accounts receivable, marketable securities, due from related parties, accounts payable, due to related parties, and promissory notes. The fair value of these financial instruments, approximate their carrying amounts due to their short terms to maturity.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Cash and cash equivalent deposits are placed with financial institutions that have a high credit rating and the Company considers the credit risk on bank deposits to be insignificant. The Company considers the credit risk on accounts receivable to be low. The carrying amounts of cash and cash equivalents and accounts receivable represents the maximum exposure to credit risk.

The Company avoids complex investment vehicles with higher risk such as asset-backed commercial paper and derivatives contracts and acquires equity investments.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions without incurring unacceptable losses or risking harm to the Company's reputation. The companies, in which the Company holds shares, have varying degrees of liquidity and there is no assurance that the investment can be sold at the quoted market price. Due to the current Covid-19 pandemic, liquidity risk has been assessed as high.

The Company maintained cash at December 31, 2022 in the amount of $241,866 (December 31, 2021 - $167,501), to meet short-term liabilities of $1,284,971 (December 31, 2021 - $1,193,960).

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, commodity prices and interest rates will affect the Company's net earnings or the value of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable limits, while maximizing returns.

18. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (continued)

Equity price risk

Equity price risk arises from the fluctuations in the trading price of equity securities. The Company monitors the mix of marketable securities in its investment portfolio based on market expectations. The investments are recorded at fair value which is affected by changes in the market price of the equity securities. The nature of the equity investments exposes the Company to significant equity price risks.

Interest rate risk:

The Company's exposure to interest rate risk arises from the interest rate impact on cash. The Company's policy is to invest cash at floating rates of interest, in order to maintain liquidity, while achieving a satisfactory return for shareholders. There is minimal risk that the Company would recognize any loss as a result of a decrease in the fair value. The promissory notes and loans payable bear interest at fixed rates of 6%, 8%, and 10%.

Foreign exchange risk

Foreign currency exchange risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency.

The Company has financial assets and liabilities denominated in the US dollar (USD) and Argentinian Pesos (ARS). The Company does not hedge its exposure to fluctuations in foreign exchange rates.

The following is an analysis of Canadian dollar equivalent of financial assets and liabilities that are denominated in USD and ARS:

	December 31, 2022	December 31, 2021
	$	$
Financial assets		
Cash – USD	198,817	50,143
Cash – AUD	12,493	5,111
Cash – ARS	34,251	4,214
Accounts receivable – USD	376,083	-
Accounts receivable – AUD	787	13,275
Accounts receivable – ARS	3,476	-
Other investment – USD	1,225,532	1,147,170
	1,851,439	1,219,913
Financial liabilities		
Accounts payable – USD	8,224	133,922
Accounts payable – AUD	26,722	42,881
Accounts payable – ARS	121,789	258,562
	156,735	435,365

The Company has determined that an effect of a 10% increase or decrease in the US dollar and Argentinian Pesos against the Canadian dollar on financial assets and liabilities, as at December 31, 2022, denominated in US dollars and Argentinian Pesos, would result in an increase or decrease of approximately $169,000 to the comprehensive loss for the year ended December 31, 2022. At December 31, 2022, the Company had no hedging agreements in place with respect to foreign exchange rates. The Company has not entered into any agreements or purchased any instruments to hedge possible currency risks at this time.

(Expressed in Canadian dollars)

19. MANAGEMENT OF CAPITAL STRUCTURE

The Company considers the amount of capital it requires in proportion to the associated risks. Generally, it is the Company's policy to operate with an under leveraged financial position but as conditions warrant, it may from time to time depart from this policy and use debt. Liquidity and cash management is the highest priority. Therefore, adjustments may be made to the capital structure in light of changes in economic conditions and the risk characteristics of the investment portfolio. The capital structure can be adjusted in a variety of ways as circumstances may change, including: purchasing shares for cancellation (Normal Course Issuer Bid); issuing new common and preferred shares; and increasing or repaying long-term debt. The Company's objectives when managing capital are the safeguarding of assets.

The Company's share capital is not subject to external restrictions. The Company has not paid or declared any dividends since date of incorporation, nor are any contemplated in the foreseeable future.

20. INCOME TAXES

The provision for income taxes differs from the result which would have been obtained by applying the combined federal and provincial income tax rate of 27% to the Company's loss before income taxes. The difference relates to the following items:

	December 31, 2022	December 31, 2021
	$	$
Loss before income taxes	(1,678,126)	(851,943)
Combined statutory income tax rate	27.00%	27.00%
Expected income tax	(453,100)	230,000
Increase (Decrease) resulting from:		
Difference in tax rates	1,100	100
Permanent differences and other	601,700	227,500
Change in unrecognized deferred tax assets	(149,700)	(457,600)
Income tax provision	-	-

Deferred tax assets have not been recognized in respect of the following deductible temporary differences.

	December 31, 2022	December 31, 2021
	$	$
Deferred income tax assets		
Non-capital losses	2,403,700	2,239,300
Exploration and evaluation assets	1,566,100	1,845,700
Capital losses	66,100	66,300
Share issue costs	23,900	31,600
Other	35,400	62,000
Total	4,095,200	4,244,900
Unrecognized deferred tax asset	(4,095,200)	(4,244,900)
	-	-

20. INCOME TAXES (continued)

The Company has income tax loss carry-forwards of approximately $9,247,000 (2021 - $8,180,800) available to reduce future Canadian taxable income which expire between 2033 and 2042.

21. CONTINGENIES AND COMMITMENTS

From time to time, the Company is engaged in various legal proceedings and claims that have arisen in the normal course of business. The outcome of all the proceedings and claims against the Company is subject to future resolution, including the uncertainties of litigation. Management believes that the probable ultimate resolution of any such proceedings and claims, individually or in the aggregate, will not have a material adverse effect on the financial condition of the Company. Additionally, the Company may enter into contracts for services in the normal course of operations. The Company's current contractual commitments vary in terms and can be terminated upon sufficient notice.

22. SUBSEQUENT EVENTS

Subsequent to the year ended December 31, 2022, the following events occurred:

a) In January 2023 the Company extended the term of 15,625,000 warrants for one year.

b) 783,000 warrants with an exercise price of $0.12 and 12,622,222 warrants with an exercise price of $0.12 expired unexercised.